Reduction in oil prices

1653. SHRI VIJAY JAWAHARLAL DARDA :
SHRIMATI SUPRIYA SULE :

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government has not taken so far any decision in regard to reduction in fuel prices;

(b) if not, the reasons for delay;

(c) whether there has been considerable reduction in fuel prices in the world;

(d) whether fuel prices have also affected airways and railways;

(e) if so, whether Government has also appointed a Committee to consider the reduction in fuel prices; and

(f) if so, what are their recommendations and by what time final decision in this regard is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL): (a) and (b) In view of the recent fall in the International oil prices, the Government has reduced prices of Petrol and Diesel by Rs. 5/- per litre and Rs. 2/- per litre respectively (at Delhi) with effect from 6.12.2008.

(c) International prices of crude oil have come down since August, 2008. The average price of Indian Basket of crude oil, which was $ 113.05 per barrel in August, 2008 has come down to $ 50.91 per barrel in November, 2008. However, the average price of Indian Basket of crude oil during the year 2008-09 (April to 10th December, 2008) is still high at $ 100.34 per barrel.

(d) The reduction in the retail selling prices of Petrol and Diesel, effective 6.12.2008, has benefited the railways. As Aviation Turbine Fuel (ATF) is a decontrolled product, the recent decline in international oil prices has led to a reduction in price of ATF, thus benefiting the aviation sector.

(e) Government has not appointed a Committee to consider a reduction in fuel prices.

(f) Does not arise in view of (e) above.

Price of CNG and PNG

1654. SHRI N.R. GOVINDARAJAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government has decided to sell the gas to city distribution companies like Indraprastha Gas Limited (IGL), Mahanagar Gas Limited (MGL) at APM price of Rs.3840 per standard cubic meter;

(b) if so, the details thereof;

(c) whether it is a fact that these companies are selling CNG or PNG at a huge mark-up of Rs.22 per kg. equivalent to Rs.22,000 per standard cubic meter almost 300 per cent of the prices at which the gas is brought by these companies;